

October 31 – November 21 noon (EST)



The open enrollment period for 2012 benefits is about to get underway, and we want to help you make the best choices for your health needs and those of your family. This document highlights the changes for 2012 and provides resources available to assist you in making an informed decision.

The cost of healthcare continues to rise all across the country and once again our state employee plan is no different. We expect our healthcare costs to increase \$33 million for 2012. To help offset this increase, the state of Indiana will contribute an additional \$16 million towards health benefits.

The state will offer three Anthem plans again in 2012: two consumer-driven plans (CDHPs) and one Traditional PPO (Trad PPO). For those employees still on the Trad PPO plan, the two CDHPs offer an automatic increase in your take home pay because of the lower premiums. By switching to one of the CDHPs, you will also have a lower annual maximum personal cost for health care (See chart at right).

We want to encourage everyone to continue to strive to be better, more informed consumers of health care services. That includes making healthier choices. Our lifestyle choices have the greatest

Maximum personal costs calculations

<u>Single coverage</u>	CDHP1	CDHP2	Trad PPO
Premium	\$147.42	\$793.26	\$3,283.02
Maximum out-of-pocket	\$4,000.00	\$3,000.00	\$2,500.00
State's HSA contribution	(\$1,123.20)	(\$673.92)	(0)
Total maximum personal cost	\$3,024.22	\$3,119.34	\$5,783.02
<u>Family coverage</u>	CDHP1	CDHP2	Trad PPO
Premium	\$411.32	\$2,233.40	\$9,136.40
Maximum out-of-pocket	\$8,000.00	\$6,000.00	\$5,000.00
State's HSA contribution	(\$2,249.52)	(\$1,347.84)	(0)
Total maximum personal cost	\$6,161.80	\$6,885.56	\$14,136.40

**Examples assume employee is participating in the non-tobacco use incentive, using in-network providers and has an open HSA account. These comparisons represent the worst case scenario, which would include the premium costs, deductible and maximum out-of-pocket expenses for 2012.*

correlation to our overall health. The choices we make to eat better, increase physical activity and promote individual wellness have proven to reduce individual healthcare costs. The state plans to add new tools and programs next year to help you be a better consumer and live a healthier life. Watch for more information on this in early 2012.

In addition, please explore the savings opportunities of a consumer-driven health plan (CDHP). Since 2006, when the state initiated CDHPs with the health savings account (HSA), the state has deposited \$117 million into employee accounts. Many employees have also wisely chosen to invest pretax dollars into these accounts. As of June 1, 2011, state employees had a healthy balance of \$49 million in their HSAs. We encourage you to investigate this opportunity during 2012 open enrollment to maximize both the state's contribution, as well as your own, to your healthcare savings.

Highlights of the 2012 benefits include:

- Preventive services will continue to be covered in full under all three plans.
- Co-insurance for Trad PPO will be 30% for in-network services. Be sure to carefully review the plan summary. The deductible must be met before the co-insurance applies.
- Non-tobacco use incentive increases from \$10 per pay period to \$25 per pay period.
- For CDHP participants with an HSA, the state will deposit 45% (rather than 50%) of the CDHP deductible into HSAs over the course of 2012. Employees can decide to fund this difference themselves with pretax dollars. Once again, the state will front load the accounts by depositing one-half of its contribution into each open HSA on the first pay of 2012. The remaining contributions by the state will be divided into equal payments and spread out over the year. Total contributions by the state will be:
 - HSA1 -- \$1,123.20 (single); \$2,249.52 (family)
 - HSA2 -- \$673.92 (single); \$1,347.84 (family)
- Vision coverage and premiums will remain the same.
- Dental coverage will remain the same; however, the biweekly rate for dental coverage will increase to \$1.20 for single coverage and \$3.16 for family.

SPD BENEFITS HOTLINE/CONTACT INFO

The new rates and more detailed information is available on the 2012 open enrollment website: www.in.gov/spd/openenrollment

Or, contact the Benefits Hotline toll-free at 1-877-248-0007 outside of Indianapolis or 317-232-1167 within the Indianapolis area. Benefit specialists are available from 7:30 a.m. to 5 p.m. Monday through Friday, Eastern Standard Time.

You may also email your questions to SPDBenefits@spd.in.gov.